THE IMPACT OF RACE ON W-2 SANCTIONS FROM 2000 TO 2004

Timothy E. Rupinski, Ph.D.[1]

State of Wisconsin
Department of Workforce Development
Division of Workforce Solutions
Bureau of Workforce Information
Research and Statistics Section

January 27, 2006

ABSTRACT

This study computes differences in average monthly W-2 sanctions by race and placement from 2000 through 2004. For the State of Wisconsin, the difference between blacks and whites was highest in 2000 and has generally declined over the time period. Using regression analysis to control for other factors that may affect sanctions leads to smaller differences between blacks and whites than an uncontrolled difference in means.

[1]The author would like to express his gratitude to colleagues in the Research and Statistics Section for creating the earlier data used in the previous study. This paper was reviewed by Michael Soref and Sandra Breitborde. Of course, any errors or omissions remain the responsibility of the author.

EXECUTIVE SUMMARY

This paper investigates how W-2 sanctions are affected by race over a five-year time period extending from January of 2000 through December of 2004.[2] Sanctions are expressed in terms of a monthly dollar amount for each of two paid W-2 placements:

- Community Service Jobs (CSJs)
- W-2 Transition Jobs (W2Ts)

All CSJ participants receive a gross W-2 grant of $673 per month whereas all W2T participants receive a gross W-2 grant of $628 per month. We restrict our analyses to females who are the only adult in the W-2 assistance group because most of the participants fall into this category.

Difference in Means

Means are computed by race/ethnicity, placement, and year. Table I summarizes the simple differences in average sanctions between blacks and whites by placement and year for the State of Wisconsin, Milwaukee County, and Balance of State.[3] Note that these differences fail to control for any other factors affecting sanctions.

Table I: Simple Differences in Average Sanctions Between Blacks & Whites

	Wisconsin		Milwaukee County		Balance of State	
Year	**CSJ**	**W2T**	**CSJ**	**W2T**	**CSJ**	**W2T**
2000	$53.60	$39.27	$47.42	$28.87	$91.93	$42.95
2001	$38.43	$18.58	$37.89	$7.93	$75.29	$7.38
2002	$5.18	$9.40	-$1.02	$5.38	$51.99	$6.21
2003	$15.56	$6.86	$6.12	$6.39	$64.81	$4.13
2004	$7.58	$3.11	-$6.41	$2.65	$94.05	$10.68

For CSJs in Wisconsin, the average difference between blacks and whites declined from $53.60 in 2000 to $38.43 in 2001 and achieved its minimum at $5.18 in 2002. It then increased to $15.56 in 2003 but decreased to $7.58 in 2004. In Wisconsin, the racial disparities were smaller for W2Ts than CSJs in four of the five years. In addition, the average difference between black W2Ts and white W2Ts decreased in each year from a maximum of $39.97 in 2000 to a minimum of $3.11 in 2004.

Since most of the caseload resides in Milwaukee County, it is not surprising that the differences in sanctions shown for Milwaukee County are closer to those of Wisconsin

[2] The terms, race and race/ethnicity, will be used interchangeably in this paper.

[3] "Milwaukee County" is defined as all six regions of the county. "Balance of State" is defined as all Wisconsin counties except Milwaukee County. While the executive summary focuses on Wisconsin, Milwaukee County, and Balance of State, the main body of this paper covers a total of eleven geographic areas.

than the differences shown for Balance of State relative to Wisconsin. For a given placement and year, the differences were always smaller for Milwaukee County than Wisconsin as a whole.

For CSJs in Milwaukee County, blacks were sanctioned $47.42 more than whites in 2000. The difference decreased to $37.89 in 2001, reversed in favor of blacks by $1.02 in 2002, reversed back in favor of whites by $6.12 in 2003, and reversed back in favor of blacks by $6.41 in 2004. The difference in W2T sanctions has diminished in each year for Milwaukee County. In 2004, black W2Ts are sanctioned $2.65 more, on average, than white W2Ts.

In Balance of State, the difference in CSJ sanctions decreased from $91.93 in 2000 to $51.99 in 2002 and then increased to a maximum of $94.05 in 2004. As was the case in Milwaukee County, Balance of State has smaller differences in W2T sanctions than CSJ sanctions. The difference in W2T sanctions has decreased from $42.95 in 2000 to $10.68 in 2004.

Table II summarizes the simple differences in average sanctions between Hispanics and whites by placement and year for the State of Wisconsin, Milwaukee County, and Balance of State. In Wisconsin, the difference in CSJ sanctions shows no discernible trend, but the difference in W2T sanctions has decreased from $17.20 in 2000 to $6.03 in 2004. For each placement and year, the difference in average sanctions between Hispanic and white is much larger in Balance of State than Milwaukee County.

Table II: Simple Differences in Average Sanctions Between Hispanics & Whites

	Wisconsin		Milwaukee County		Balance of State	
Year	**CSJ**	**W2T**	**CSJ**	**W2T**	**CSJ**	**W2T**
2000	-$1.40	$17.20	-$11.29	$9.15	$92.16	$3.19
2001	$12.04	$14.06	$13.16	$3.88	$19.82	$4.10
2002	-$2.83	$4.15	-$8.52	$0.03	$27.64	$4.62
2003	$12.52	$7.19	$4.98	$5.53	$25.75	$13.16
2004	$2.69	$6.03	-$9.91	$4.07	$45.85	$21.47

Multiple Regression Analysis

Unlike the difference in means approach, multiple regression analysis is designed to control for additional factors that might influence sanctions. These factors include the family configuration, barriers to employment, and other demographic characteristics of the individual participant. For each of the two placements, we estimate the participant's W-2 sanction amount during the month as a function of the following list of their respective independent variables:

- Race/ethnicity
- Age of W-2 participant
- Months on her Lifetime clock
- Age of youngest child
- Number of children under the age of 13

- Whether or not any of the children are served by subsidized Child Care
- Maternity indicator
- Highest educational attainment level
- Whether or not she has a driver's license
- Whether or not she has a vehicle available for use
- Whether or not she has a "disability"
- Whether or not any of the children have a "disability"
- Year
- Interaction of race/ethnicity and year

Table III summarizes our estimated results between blacks and whites by placement and year for Wisconsin, Milwaukee County, and Balance of State controlling for the above variables. Relative to the means from Table I, the regression estimates from Table III lead to smaller differences between blacks and whites for each geographic area, placement, and year. This indicates that the regression analysis is capturing other observable variables that tend to affect sanctions and are also correlated with race.

Both tables show that the difference in sanctions between blacks and whites is diminishing for Milwaukee County and for Wisconsin (since most of the caseload resides in Milwaukee County). Both tables also show that the disparity between blacks and whites is largest in Balance of State especially among CSJs in each of the five years. The highest racial disparity in Balance of State was found for CSJs in 2004. Table I showed a difference in means of $94.05 not controlling for other factors, and Table III estimated a difference of $70.75 controlling for other factors.

Table III: Regression Estimates of Differences in Average Sanctions Between Blacks & Whites

	Wisconsin		Milwaukee County		Balance of State	
Year	CSJ	W2T	CSJ	W2T	CSJ	W2T
2000	$38.94	$28.56	$37.64	$22.46	$67.00	$34.26
2001	$25.40	$8.56	$29.54	$2.72	$54.05	-$0.53
2002	-$5.66	-$0.67	-$7.08	$0.34	$29.97	-$1.56
2003	$5.03	-$4.06	-$0.44	-$0.23	$40.68	-$3.88
2004	-$1.99	-$7.77	-$12.85	-$4.75	$70.75	$2.78

Table IV provides the estimated results between Hispanics and whites by placement and year for Wisconsin, Milwaukee County, and Balance of State controlling for the same set of variables used in Table III. Relative to the means from Table II, the regression estimates from Table IV lead to smaller differences between Hispanics and whites for each geographic area, placement, and year. As was the case with the black versus white comparisons, this result also indicates that the regression analysis is capturing other observable variables that tend to affect sanctions and are correlated with race/ethnicity. The largest disparity between Hispanics and whites is found for CSJs in 2004. Table II showed a difference in means of $45.85 not controlling for other factors, and Table IV estimated a difference of $18.83 controlling for other factors.

Table IV: Regression Estimates of Differences in Average Sanctions Between Hispanics & Whites

	Wisconsin		Milwaukee County		Balance of State	
Year	CSJ	W2T	CSJ	W2T	CSJ	W2T
2000	-$16.61	$7.28	-$21.17	$2.82	$63.90	-$0.50
2001	-$2.33	$4.64	$3.79	-$1.46	-$5.61	$1.26
2002	-$15.29	-$5.03	-$16.05	-$4.77	$7.90	-$1.39
2003	$0.18	-$2.38	-$3.59	-$0.29	$9.59	$7.95
2004	-$9.31	-$2.86	-$18.19	-$1.61	$18.83	$16.25

Conclusions

This study used both a difference in means approach and multivariate regression analyses to estimate average monthly W-2 sanctions by race/ethnicity over the last five years. The results for Wisconsin clearly show that blacks have done worse relative to whites in 2000 in the same paid placement. This statewide difference has declined in most years from 2000 through 2004.

On average, Hispanics generally do better than blacks in Wisconsin since Hispanic vs. white differences tend to be smaller than corresponding black vs. white differences. How Hispanics compare to whites is less clear. Among CSJs, it is not uncommon to observe Hispanics with lower sanctions than whites. Among W2Ts, Hispanics have been sanctioned, on average, more than whites in each year, but the difference has generally declined over time.

The general pattern of sanctions over time for Milwaukee County is similar to that of Wisconsin as a whole since most of the state's caseload resides in that county. The respective numbers are somewhat lower for Milwaukee County relative to Wisconsin as a whole. The disparity between blacks (or Hispanics) and whites is substantially worse in Balance of State than Milwaukee County. However, over 90% of black (or Hispanic) participants reside in Milwaukee County.

Using regression analysis to control for other factors that may affect sanctions leads to smaller differences between blacks (or Hispanics) and whites than an uncontrolled difference in means. Although the magnitudes of the differences may be smaller using the regression analysis, we generally observe similar patterns over time from both approaches.

THE IMPACT OF RACE ON W-2 SANCTIONS FROM 2000 TO 2004

1. Introduction

In September of 1997, Wisconsin replaced the Aid to Families with Dependent Children (AFDC) program with Wisconsin Works (W-2). The purpose of W-2 is to change the welfare system from one of dependency to one of personal responsibility and self-sufficiency. Aside from case management, participants can be assigned to three different tiers of jobs:

- Community Service Jobs (CSJs)
- W-2 Transition Jobs (W2Ts)
- Trial Jobs (TJBs)

Since most of the actual jobs within W-2 involve CSJ and W2T placements, these placements are the focus of this paper.[4] The CSJ placement is for individuals who lack basic skills and work habits to become self-sufficient. The W2T placement is for individuals who are even less able to make the transition to the workforce in that they have serious barriers to employment. The gross W-2 grant is $673 per month for CSJ placements and $628 per month for W2T placements. Under both placements, individuals are assigned to work program activities. Sanctions are typically imposed in response to missed activity hours on the part of the W-2 participant. The caseworker can reduce or eliminate these sanctions if the participant can provide reasons for "good cause."

This paper uses both a difference in means approach and multivariate regression analyses to show the effect of race on W-2 sanctions. Section 2 provides an overview of the raw data. Section 3 calculates the means by race, placement, and year for each geographic area. Section 4 focuses on the multivariate regression approach that is used in the analyses. In addition to race, geographic level, and placement type, a variety of measures including family configuration, barriers to employment, and other demographic characteristics are considered. The regression results for the State of Wisconsin are presented in Section 5. Using the regression results from the remaining ten geographic areas, Section 6 provides the racial disparities by placement and year controlling for other factors. The main findings of the paper are summarized in Section 7.

2. Data

Our study uses monthly data from January of 2000 through December of 2004. The benefit-month is the unit of observation.[5] We restrict our population of W-2 participants

[4] To ensure that all participants of a given placement are receiving the same gross monthly payment (and thereby subject to the same maximum sanction), we include only those individuals who participated for the entire benefit-month.

[5] For the sake of convenience, we shall use the terms, benefit-month and participant, interchangeably in this paper. However, it should be understood that an individual observation contains the data of a participant for one particular month. During the course of a year, a given participant will contribute as many observations to the data as they participate for a full month in either a CSJ or W2T placement.

to females who are the only adult in the W-2 assistance group because most participants fall into this category.[6]

Table 1 provides data on the distribution of participants by race over the five-year period. Since most of the participants are black, white, or Hispanic, we shall restrict our analyses of race to these three groups.[7] This table shows that blacks are more likely than whites to be CSJs but less likely than whites to be W2Ts. Whereas 72.9 percent of the CSJs are black, only 60.8 percent of the W2Ts are black. While 11.7 percent of the CSJs are white, 25.1 percent of the W2Ts are white.

Table 1: Percent of Benefit Months for Each Placement by Race

Race	CSJ	W2T
Black	72.9%	60.8%
White	11.7%	25.1%
Hispanic	9.8%	9.0%
Asian or Pacific Islander	0.8%	1.4%
American Indian or Alaskan Native	0.7%	1.0%
Other	0.3%	0.3%
Unknown	3.8%	2.4%
Total (Wisconsin)	100.0%	100.0%

Table 2 shows the distribution of blacks, whites, and Hispanics across counties in the state of Wisconsin. Over 90 percent of both blacks and Hispanics are located in Milwaukee County.[8] Therefore, Milwaukee is the most relevant county to compare these two groups to whites. We shall also group all of the counties outside of Milwaukee County and denote them as "Balance of State." Within Balance of State, we will perform separate county-level analyses of blacks versus whites in Dane, Kenosha, Racine, and Rock counties because there are a sufficient number of both blacks and whites in each of these counties. However, there are not enough Hispanics in each of these four counties (or any other counties in the Balance of State).

Within Milwaukee County, we can decompose the data by region as shown in Table 3. Because regions 3 and 4 are almost entirely black, we are unable to include them in a separate analysis. We will perform separate analyses of regions 1, 2, 5, and 6 because there are a sufficient number of whites, blacks, and Hispanics in each of these regions.

[6] Female participants constitute 95 percent of the benefit-months, and assistance groups with one adult are associated with 96 percent of the benefit-months.

[7] In this paper, a person is defined as Hispanic if their ethnicity is Hispanic regardless of their race. A person is defined as black or white if their ethnicity is non-Hispanic and their race is black or white, respectively. The terms, race and race/ethnicity, are used interchangeably in this paper.

[8] "Milwaukee County" is always defined as consisting of all six regions.

Table 2: Percent of Benefit Months for Selected Race by County

Geographic Area	Black	Hispanic	White
Milwaukee County	94.5%	91.4%	47.5%
Dane County	2.6%	1.7%	7.6%
Kenosha County	1.1%	2.2%	5.7%
Racine County	0.8%	0.9%	1.8%
Rock County	0.5%	0.3%	3.5%
Other Counties	0.6%	3.5%	34.0%
Total (Wisconsin)	100.0%	100.0%	100.0%

Table 3: Percent of Benefit Months for Each Region by Selected Race

Region of Milwaukee County	Black	Hispanic	White	Total
Region 1	83.8%	9.9%	6.3%	100.0%
Region 2	21.6%	47.9%	30.5%	100.0%
Region 3	94.9%	2.5%	2.6%	100.0%
Region 4	96.7%	1.8%	1.5%	100.0%
Region 5	92.1%	2.4%	5.6%	100.0%
Region 6	63.1%	13.9%	23.0%	100.0%

Previous studies on sanctions in Wisconsin are sometimes characterized by the following deficiencies:

- Some studies use a limited dependent variable (such as sanction vs. no sanction). The existence of a sanction (or partial sanction) does not capture the dollar magnitude of the sanction. If a high percentage of participants are sanctioned and the average monthly dollar amount is very small, then the economic impact may be low. This study always uses the monthly dollar amount of sanctions.
- Other studies have calculated simple differences in sanctions by race without using regression analysis to control for other factors that might affect sanctions. This study compares the results of both approaches using the same data.

3. Difference in Means

Table 4 shows average monthly sanctions for CSJs in Wisconsin by race and year. In all but one year, the average sanction declines from the previous year for blacks, Hispanics, and whites. The difference in mean sanctions between black and white CSJs declines from a maximum of $53.60 in 2000 to a minimum of $5.18 in 2002. It then increases to $15.56 in 2003 and declines to $7.58 in 2004. There is no trend over time in the difference in mean sanctions between Hispanic and white CSJs. In two of the five years (i.e., 2000 and 2002), Hispanics are even sanctioned less than whites.

Table 5 reports the average monthly sanctions for W2Ts in Wisconsin by race and year. Comparing Tables 4 and 5, average W2T sanctions are always much smaller than average CSJ sanctions for any given race and year. For each of the races, average W2T sanctions decline over time. The difference in average W2T sanctions between

blacks and whites decreases in each year from a maximum of $39.27 in 2000 to a minimum of $3.11 in 2004. Similarly, the difference in average W2T sanctions between Hispanics and whites decreases in each year from a maximum of $17.20 in 2000 to a minimum of $6.20 in 2004. Average W2T sanctions are almost the same for Hispanics relative to blacks in 2003 and slightly higher for Hispanics than blacks in 2004 with a difference of $2.92.

Table 4: Average CSJ Monthly Sanction for Wisconsin by Year and Race

Year	Black	Hispanic	White	Black - White	Hispanic – White
2000	$167.02	$112.02	$113.42	$53.60	-$1.40
2001	$132.05	$105.66	$93.62	$38.43	$12.04
2002	$100.34	$92.34	$95.16	$5.18	-$2.83
2003	$100.46	$97.43	$84.90	$15.56	$12.52
2004	$95.89	$91.00	$88.31	$7.58	$2.69

Table 5: Average W2T Monthly Sanction for Wisconsin by Year and Race

Year	Black	Hispanic	White	Black – White	Hispanic - White
2000	$61.33	$39.26	$22.06	$39.27	$17.20
2001	$39.93	$35.41	$21.35	$18.58	$14.06
2002	$25.80	$20.55	$16.40	$9.40	$4.15
2003	$22.27	$22.60	$15.41	$6.86	$7.19
2004	$18.21	$21.13	$15.10	$3.11	$6.03

Table 6 shows average monthly sanctions for CSJs in Milwaukee County and Balance of State (BOS) by year and race. In Milwaukee County, the difference in average CSJ sanctions between blacks and whites tends to decline from a maximum of $47.42 in 2000 to $37.89 in 2001. After reversing sign in 2002 (-$1.02), the difference becomes $6.12 in 2003. In 2004, the average black CSJ is sanctioned $6.41 less than the average white CSJ for Milwaukee County. Hispanic CSJs in Milwaukee County are sanctioned less than white CSJs in three of five years. In 2004, the average Hispanic CSJ is sanctioned less than the average white CSJ by $9.91.

In Balance of State, black CSJs consistently receive much higher average sanctions than white CSJs. The differences range from $51.99 in 2002 to $94.05 in 2004. Among CSJs, Hispanics also receive higher average sanctions than whites with differences ranging from $19.82 in 2001 to $92.16 in 2002. In 2004, the average CSJ difference between Hispanics and whites is $45.85 (which is less than half the difference between blacks and whites for that year).

The average CSJ differences in Balance of State for blacks (or Hispanics) relative to whites are much larger than the average CSJ differences in Milwaukee County for blacks (or Hispanics) relative to whites. However, 94.5% of blacks reside in Milwaukee County and only 5.5% of blacks reside in Balance of State. Similarly, 91.4% of

Hispanics reside in Milwaukee County and only 8.6% of Hispanics reside in Balance of State.

Table 6: Average CSJ Monthly Sanction for Milwaukee County & BOS by Year & Race

Geographic Area	Year	Black	Hispanic	White	Black – White	Hispanic – White
Milwaukee County	2000	$165.72	$107.01	$118.30	$47.42	-$11.29
Milwaukee County	2001	$129.84	$105.11	$91.95	$37.89	$13.16
Milwaukee County	2002	$98.63	$91.13	$99.65	-$1.02	-$8.52
Milwaukee County	2003	$98.40	$97.26	$92.28	$6.12	$4.98
Milwaukee County	2004	$93.69	$90.20	$100.11	-$6.41	-$9.91
Balance of State	2000	$196.00	$196.23	$104.07	$91.93	$92.16
Balance of State	2001	$171.90	$116.42	$96.61	$75.29	$19.82
Balance of State	2002	$139.07	$114.72	$87.09	$51.99	$27.64
Balance of State	2003	$138.34	$99.28	$73.53	$64.81	$25.75
Balance of State	2004	$159.31	$111.10	$65.26	$94.05	$45.85

Table 7 provides the average monthly sanctions for W2Ts in Milwaukee County and Balance of State by year and race. In Milwaukee County, the difference in average W2T sanctions between blacks and whites declines from a maximum of $28.87 in 2000 to a minimum of $2.65 in 2004. The difference in average W2T sanctions between Hispanics and whites declines from a maximum of $9.15 in 2000 to a minimum of $0.03 in 2002. In 2004, the average Hispanic W2T is sanctioned $4.07 more than the average white W2T.

In Balance of State, the difference in average W2T sanctions between blacks and whites declined from $42.95 in 2000 to $4.13 in 2003. However, this difference increases to $10.68 in 2004. Comparing Hispanics to whites, the difference in average W2T sanctions increased from a minimum of $3.19 in 2000 to a maximum of $21.47 in 2004.

Table 7: Average W2T Monthly Sanction for Milwaukee County & BOS by Year & Race

Geographic Area	Year	Black	Hispanic	White	Black – White	Hispanic – White
Milwaukee County	2000	$61.55	$41.82	$32.68	$28.87	$9.15
Milwaukee County	2001	$41.53	$37.48	$33.60	$7.93	$3.88
Milwaukee County	2002	$26.27	$20.92	$20.89	$5.38	$0.03
Milwaukee County	2003	$22.54	$21.67	$16.15	$6.39	$5.53
Milwaukee County	2004	$17.67	$19.10	$15.02	$2.65	$4.07
Balance of State	2000	$58.48	$18.71	$15.53	$42.95	$3.19
Balance of State	2001	$22.03	$18.75	$14.65	$7.38	$4.10
Balance of State	2002	$20.09	$18.50	$13.88	$6.21	$4.62
Balance of State	2003	$19.12	$28.15	$14.99	$4.13	$13.16
Balance of State	2004	$25.83	$36.62	$15.15	$10.68	$21.47

Table 8 breaks down average CSJ sanctions for four of the six regions in Milwaukee County. In 2004, black CSJs are sanctioned the most in region 1 ($109.27) and the least in region 5 ($73.54). The difference in average sanctions between black and white CSJs is highest in region 5 ($20.46) and lowest in region 6 (-$31.95). The reason that region 5 has the lowest average sanctions for blacks but the highest difference (relative to whites), is that the average sanctions for whites in region 5 ($53.08) is the lowest of the four regions.

Over half of the Hispanics in Milwaukee County reside in region 2. In three of five years, Hispanic CSJs were sanctioned less, on average than white CSJs.

Table 8: Average CSJ Monthly Sanction for Regions of Milwaukee County by Year & Race

Geographic Area	Year	Black	Hispanic	White	Black - White	Hispanic – White
Region 1	2000	$209.10	$153.87	$137.16	$71.94	$16.71
Region 1	2001	$171.77	$125.54	$156.54	$15.23	-$30.99
Region 1	2002	$139.16	$126.36	$95.03	$44.13	$31.34
Region 1	2003	$98.27	$51.52	$59.48	$38.79	-$7.96
Region 1	2004	$109.27	$92.50	$91.43	$17.84	$1.07
Region 2	2000	$109.99	$95.38	$96.73	$13.26	-$1.35
Region 2	2001	$105.09	$100.22	$86.25	$18.84	$13.97
Region 2	2002	$100.54	$83.12	$90.53	$10.02	-$7.40
Region 2	2003	$111.28	$109.98	$106.14	$5.14	$3.84
Region 2	2004	$103.61	$94.50	$96.49	$7.13	-$1.99
Region 5	2000	$204.95	$176.93	$166.33	$38.62	$10.60
Region 5	2001	$111.32	$104.61	$80.70	$30.61	$23.91
Region 5	2002	$53.06	$68.76	$39.13	$13.93	$29.63
Region 5	2003	$59.59	$56.79	$70.88	-$11.29	-$14.08
Region 5	2004	$73.54	$64.40	$53.08	$20.46	$11.33
Region 6	2000	$145.94	$113.05	$132.49	$13.44	-$19.45
Region 6	2001	$119.36	$105.16	$88.69	$30.68	$16.48
Region 6	2002	$126.33	$107.55	$129.62	-$3.28	-$22.07
Region 6	2003	$96.86	$92.41	$97.08	-$0.22	-$4.67
Region 6	2004	$99.23	$87.82	$131.18	-$31.95	-$43.36

Table 9 provides average W2T sanctions for four of the six regions in Milwaukee County. In 2004, region 6 has the highest average sanctions for each of the three groups: black ($26.12), Hispanic ($22.88), and white ($25.32). Because these average sanctions are so close in magnitude, the differences in average W2T sanctions between blacks and whites ($0.80) and Hispanics and whites (-$2.44) are the lowest in region 6 relative to regions 1, 2, or 5 of Milwaukee County.

Table 9: Average W2T Monthly Sanction for Regions of Milwaukee County by Year & Race

Geographic Area	Year	Black	Hispanic	White	Black - White	Hispanic – White
Region 1	2000	$144.23	$92.29	$58.15	$86.08	$34.14
Region 1	2001	$91.27	$29.31	$51.72	$39.55	-$22.41
Region 1	2002	$39.14	$32.50	$15.17	$23.97	$17.34
Region 1	2003	$23.49	$19.50	$10.25	$13.24	$9.25
Region 1	2004	$19.39	$19.26	$11.42	$7.96	$7.84
Region 2	2000	$68.58	$33.85	$35.84	$32.74	-$1.99
Region 2	2001	$55.11	$37.78	$44.77	$10.34	-$6.99
Region 2	2002	$18.36	$17.14	$14.22	$4.14	$2.92
Region 2	2003	$25.42	$22.49	$14.74	$10.68	$7.75
Region 2	2004	$23.11	$20.16	$10.67	$12.44	$9.50
Region 5	2000	$44.04	$35.54	$6.58	$37.45	$28.95
Region 5	2001	$23.00	$16.80	$10.42	$12.58	$6.38
Region 5	2002	$14.08	$3.24	$12.90	$1.18	-$9.66
Region 5	2003	$10.50	$6.50	$9.24	$1.27	-$2.74
Region 5	2004	$18.43	$11.40	$7.00	$11.43	$4.40
Region 6	2000	$51.18	$41.65	$30.85	$20.33	$10.79
Region 6	2001	$42.84	$49.10	$29.12	$13.72	$19.97
Region 6	2002	$46.56	$31.80	$35.29	$11.27	-$3.49
Region 6	2003	$33.09	$28.25	$23.22	$9.87	$5.03
Region 6	2004	$26.12	$22.88	$25.32	$0.80	-$2.44

Table 10 provides average sanctions for CSJs in Dane, Kenosha, Racine, and Rock counties. These counties were selected because they contain the most blacks of any four counties in Balance of State. This table reinforces an important observation made in reference to Table 6: the greatest differences in average CSJ sanctions between blacks and whites are to be found in Balance of State. In 2004, these differences range from a low of $32.39 for Kenosha County, to $33.17 for Dane County, to $50.70 for Rock County, and to a high of $97.10 for Racine County. Of these four counties, Racine has the largest difference in four of the five years.

Table 11 shows average sanctions for W2Ts in these same four counties. In 2004, the differences in average W2T sanctions between blacks and whites tend to be lower than those found for CSJs in Table 10. They range from a low of -$10.81 for Racine County, to $2.89 for Dane County, to $5.96 for Rock County, and to a high of $18.72 for Kenosha County. Comparing the differences over time, none of the four counties stands out from the other three.

Table 10: Average CSJ Monthly Sanction for Four Counties from BOS by Year & Race

Geographic Area	Year	Black	White	Black - White
Dane County	2000	$198.90	$108.51	$90.40
Dane County	2001	$192.98	$105.89	$87.09
Dane County	2002	$152.91	$128.47	$24.44
Dane County	2003	$152.19	$113.48	$38.71
Dane County	2004	$152.08	$118.91	$33.17
Kenosha County	2000	$226.97	$149.42	$77.55
Kenosha County	2001	$106.04	$136.25	-$30.21
Kenosha County	2002	$82.92	$62.66	$20.26
Kenosha County	2003	$116.30	$72.11	$44.20
Kenosha County	2004	$143.26	$110.87	$32.39
Racine County	2000	$217.58	$115.20	$102.38
Racine County	2001	$227.15	$152.79	$74.37
Racine County	2002	$195.44	$119.69	$75.75
Racine County	2003	$207.71	$150.66	$57.05
Racine County	2004	$221.18	$124.08	$97.10
Rock County	2000	$116.85	$238.14	-$121.29
Rock County	2001	$171.91	$145.09	$26.82
Rock County	2002	$158.49	$106.30	$52.19
Rock County	2003	$125.69	$100.83	$24.86
Rock County	2004	$136.78	$86.09	$50.70

Table 11: Average W2T Monthly Sanction for Four Counties from BOS by Year & Race

Geographic Area	Year	Black	White	Black - White
Dane County	2000	$71.11	$13.51	$57.60
Dane County	2001	$17.75	$8.38	$9.38
Dane County	2002	$15.04	$12.40	$2.64
Dane County	2003	$11.89	$9.28	$2.62
Dane County	2004	$23.87	$20.98	$2.89
Kenosha County	2000	$22.09	$8.83	$13.27
Kenosha County	2001	$18.27	$9.06	$9.20
Kenosha County	2002	$35.36	$17.27	$18.09
Kenosha County	2003	$13.09	$8.55	$4.54
Kenosha County	2004	$37.38	$18.66	$18.72
Racine County	2000	$81.12	$25.36	$55.76
Racine County	2001	$42.44	$16.89	$25.56
Racine County	2002	$25.26	$22.46	$2.79
Racine County	2003	$40.54	$34.05	$6.49
Racine County	2004	$26.80	$37.60	-$10.81
Rock County	2000	$7.79	$19.66	-$11.87
Rock County	2001	$12.59	$8.67	$3.93
Rock County	2002	$28.04	$7.90	$20.14
Rock County	2003	$7.40	$7.70	-$0.30
Rock County	2004	$13.23	$7.27	$5.96

4. Multivariate Regression Analysis

The monthly sanction for an individual participant is the dependent variable in our regression analyses. A variety of factors might affect the sanction amount. In particular, we want to consider variables that might lead a participant to either miss activity hours and/or provide a reason for "good cause" which would reduce this sanction. Table 12 provides a list of the independent variables that we shall include in our regression analysis. The mean and standard deviation of each variable are then computed by placement.

The key independent variables are the race measures (i.e., black and Hispanic) and interaction measures of race and year (i.e., 2001, 2002, 2003, and 2004) because we are interested in differences by race and how those differences change over time.[9] The table shows that 77 percent of our CSJ data is black, 13 percent is white, and 10 percent

[9] The race/ethnicity variables, year variables, and interaction terms (race/ethnicity variables multiplied by the year variables) are called "dummy variables." A dummy variable takes on the value of 1 if true and 0 otherwise. We leave out one variable in each group so that blacks and Hispanics will be compared to whites in the regression equation and each of the four years will be compared to the year 2000.

is Hispanic.[10] The amount of CSJ data increases over time in that 12 percent of the benefit-months are from 2000, 15 percent are from 2001, 22 percent are from 2002, 24 percent are from 2003, and 27 percent are from 2004. The table also shows that 64 percent of our W2T data is black, 26 percent is white, and 10 percent is Hispanic. The amount of W2T data also increases over time in that 15 percent of the benefit-months are from 2000, 15 percent are from 2001, 18 percent are from 2002, 23 percent are from 2003, and 29 percent are from 2004.

Table 12: Descriptive Statistics for Wisconsin by Placement

Independent Variable	CSJ: Mean (Std. Dev.)	W2T: Mean (Std. Dev.)
1 if Black (0 if otherwise)	0.77 (0.42)	0.64 (0.48)
1 if Hispanic (0 if otherwise)	0.10 (0.30)	0.10 (0.29)
Age of Participant	27.11 (7.83)	32.31 (8.22)
Months on Lifetime Clock	17.36 (12.92)	25.78 (17.49)
Age of Youngest Child	4.00 (4.53)	6.35 (5.23)
Number of Children with Age < 13	1.68 (1.14)	1.64 (1.29)
1 if any Child with Age < 13 served by Child Care (0 if otherwise)	0.44 (0.50)	0.17 (0.38)
1 if Maternity (0 if otherwise)	0.06 (0.23)	0.09 (0.28)
1 if HSG (0 if otherwise)	0.36 (0.48)	0.39 (0.49)
1 if GED (0 if otherwise)	0.08 (0.27)	0.11 (0.31)
1 if Driver's License (0 if otherwise)	0.24 (0.43)	0.35 (0.48)
1 if Vehicle Available (0 if otherwise)	0.15 (0.36)	0.25 (0.43)
1 if Adult with Disability (0 if otherwise)	0.01 (0.09)	0.07 (0.26)
1 if any Child with Disability (0 if otherwise)	0.07 (0.26)	0.15 (0.35)
1 if Year is 2001 (0 if otherwise)	0.15 (0.36)	0.15 (0.35)
1 if Year is 2002 (0 if otherwise)	0.22 (0.41)	0.18 (0.39)
1 if Year is 2003 (0 if otherwise)	0.24 (0.42)	0.23 (0.42)
1 if Year is 2004 (0 if otherwise)	0.27 (0.44)	0.29 (0.45)

[10] The mean of a dummy variable equals the proportion of participants with that characteristic.

We include the age of the W-2 participant to determine if there is any differential treatment by age. The average age is 27 years-old for CSJs and 32 years-old for W2Ts. The months on the lifetime clock is intended to capture any time-dependence within the program on sanctions. It may also serve as a proxy for barriers or other difficulties since a higher number of months on the clock would suggest greater difficulty in terms of entering the workforce. The average time on the lifetime clock is 17 months for CSJs and 26 months for W2Ts.

Family composition is reflected in four different variables:

- The age of the youngest child in the assistance group (AG)
- The number of children who are under the age of 13 in the assistance group
- A dummy variable indicating whether or not the family has at least one child receiving state-subsidized Child Care
- A dummy variable indicating whether or not the participant is pregnant

We would expect a younger child, more children under the age of 13, not receiving Child Care from the state, and maternity to create a greater burden on the female W-2 participant. This might lead to an increase in missed activity hours. However, these family burden measures may serve as proxies for the underlying "good causes" of those missed hours.

Table 12 again provides the means for these variables. The average age of the youngest child is four years old for CSJs and six years old for W2Ts. The average number of children in an AG is 1.7 for CSJs and 1.6 for W2Ts. Of the CSJ families, 44 percent of them use subsidized Child Care for at least one child. In sharp contrast, only 17 percent of the W2T families use subsidized Child Care for at least one child. Six percent of female CSJ participants are pregnant, and nine percent of female W2T participants are pregnant.

Educational attainment provides a measure of a person's ability to complete tasks and achieve goals. Therefore, one would expect higher levels of educational attainment to be associated with fewer missed hours of activities and lower sanctions. We include two measure of educational attainment in our model. HSG indicates whether or not the participant graduated from high school or has education beyond high school. GED indicates whether or not the participant has a General Equivalency Degree (GED) or High School Equivalency Degree (HSED).[11] Of the CSJ participants, 36 percent are high school graduates or higher, 8 percent have a GED or equivalent, and 56 percent are non-graduates. Of the W2T participants, 39 percent are high school graduates or higher, 11 percent have a GED or equivalent, and 50 percent are non-graduates.

A person with less access to convenient methods of transportation (such as an automobile) may have a more difficult time attending activities and thus a higher likelihood of sanctions. We include a dummy variable to capture whether or not the participant has a driver's license. Twenty-four percent of the CSJ participants and 35 percent of the W2T participants have a license. In addition, we use a dummy variable to indicate whether or not the participant has a vehicle available for use. Fifteen percent of CSJ participants and 25 percent of W2T participants have an available vehicle.

[11] HSG and GED are also dummy variables. We leave out non-graduates so that high school graduates (and above) or GEDs (or equivalent) can be compared to non-graduates in the regression equation.

One might expect people with "disabilities" to miss more hours. However, the nature of the disability might contribute to the circumstances surrounding the missed hours and thereby provide a reason for "good cause." We include two different measures of disability in our model. The first measure indicates whether or not the participant is a person with a disability, and the second measure indicates whether or not the assistance group has any children with a disability. In our model, an adult participant is defined as having a "disability" if she has a special circumstance code of Incapacitated (IN). A child is defined as having a "disability" if s/he receives Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI) or if s/he has a special circumstances code of Disabled and Receiving SSDI (DI), Disabled Parent (DP), or Incapacitated (IN).[12] Based on these rather restrictive definitions, 1 percent of the adult CSJ participants are persons with disabilities, and 7 percent of the CSJ participants have at least one child with a disability. In sharp contrast, 7 percent of the adult W2T participants are persons with disabilities, and 15 percent of the W2T participants have at least one child with a disability. These definitions likely understate the actual number of people with disabilities. In the future, the Barrier Screening Tool may provide a better source of data on this characteristic.

5. Regression Results for Wisconsin

Table 13 reports the CSJ regression results for the State of Wisconsin. We shall compare coefficients of black versus white CSJs from this table to illustrate how to compute racial differences in W-2 sanctions while controlling for other factors. The coefficient on the black dummy variable is 38.94. The positive number indicates that black CSJs are sanctioned $38.94 more per month than white CSJs on average in the year, 2000. Adding the coefficient from the interaction term of black and 2001 to the black dummy variable (i.e., 38.94 – 13.54 = 25.40) indicates that black CSJs are sanctioned $25.40 more per month than white CSJs on average in 2001. Similarly, adding the coefficient from the interaction term of black and 2002 to the black dummy variable (i.e., 38.94 – 44.60 = - 5.66) shows that black CSJs are sanctioned $5.66 less per month than white CSJs on average in 2002. Using the same procedure, we find that relative to white CSJs, black CSJs are sanctioned, on average, $5.03 more per month in 2003 and $1.99 less per month in 2004. Since all CSJs earn gross W-2 payments of $673 per month, the racial disparity can be expressed as a proportion of the gross payment: In 2000, blacks are sanctioned $38.94 more per month than whites on average which represents 5.8 percent (i.e., 38.94/673 x 100%) of the gross monthly W-2 payment. In 2004, whites are sanctioned $1.99 more per month than blacks on average which represents 0.3 percent (1.99/673 x 100%) of the gross monthly W-2 payment.

We now turn our attention to the remaining variables in Table 13.[13] Hispanic CSJs are sanctioned less than white CSJs, on average, in four of the five years. The difference between Hispanics and whites is -$16.61 for 2000, -$2.33 for 2001, -$15.29 for 2002, $0.18 for 2003, and -$9.31 for 2004. Age has a small though significant effect on sanctions. On average, a participant's sanction decreases by $0.65 per year for her own age and increases by $0.86 per year for her youngest child's age. The lifetime clock has no effect on sanctions for participants in CSJ placements. Sanctions increase, on

[12] This definition was obtained from the Metadata of DWD's W-2 Data Warehouse.
[13] Throughout the paper, these estimated dollar amounts are defined per month.

Table 13: Regression Results for Wisconsin (Placement = CSJ)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	162.78	<.0001
1 if Black	38.94	<.0001
1 if Hispanic	-16.61	0.00
Age	-0.65	<.0001
Months on Lifetime Clock	0.00	0.99
Age of Youngest Child	0.86	<.0001
Num of Children with Age < 13	2.46	<.0001
1 if any Child with Age < 13 served by Child Care	-26.57	<.0001
1 if Maternity	-24.72	<.0001
1 if HSG	-33.28	<.0001
1 if GED	-29.00	<.0001
1 if Driver's License	-14.34	<.0001
1 if Vehicle Available	-4.47	0.00
1 if Disabled Adult	-22.03	<.0001
1 if Disabled Child	-0.57	0.74
1 if Year is 2001	-19.08	<.0001
1 if Black and Year is 2001	-13.54	0.01
1 if Hispanic and Year is 2001	14.28	0.03
1 if Year is 2002	-16.63	<.0001
1 if Black and Year is 2002	-44.60	<.0001
1 if Hispanic and Year is 2002	1.32	0.83
1 if Year is 2003	-24.05	<.0001
1 if Black and Year is 2003	-33.91	<.0001
1 if Hispanic and Year is 2003	16.79	0.01
1 if Year is 2004	-21.80	<.0001
1 if Black and Year is 2004	-40.93	<.0001
1 if Hispanic and Year is 2004	7.30	0.23
R-Square	0.03	
F-Statistic	222.57	<.0001

Year	Estimated Monthly Difference Between Black and White	Estimated Monthly Difference Between Hispanic and White
2000	$38.94	-$16.61
2001	$25.40	-$2.33
2002	-$5.66	-$15.29
2003	$5.03	$0.18
2004	-$1.99	-$9.31

average, by $2.46 for each additional child under the age of 13. If a family is receiving any state-subsidized Child Care, their sanctions decrease by $26.57, on average. This is noteworthy because 44 percent of CSJ families receive such care. Maternity reduces average sanctions by $24.72. However, its impact on the population is smaller in that only six percent of the participants are pregnant. On average, high school graduates (and above) are sanctioned $33.28 less than non-graduates while those with a GED (or equivalent) are sanctioned $29.00 less than non-graduates. Since 56 percent of CSJ

participants are non-graduates, educational attainment is an extremely important determinant of sanctions. Those with access to transportation tend to be sanctioned less. A driver's license and vehicle availability decrease sanctions by $14.34 and $4.47, respectively. It matters quite a bit if the participant is incapacitated but not if the participant has a child with a disability. A participant with a disability is sanctioned $22.03 less than a participant without a disability. If a participant has any child with a disability, it reduces the sanction by $0.57 which is not even significant at the 10% level.

The regression results for W2Ts in Wisconsin are shown in Table 14. Like CSJs, black W2Ts are sanctioned more than white W2Ts in 2000. The magnitude of the racial difference is somewhat smaller at $28.56 per month for W2Ts. Since all W2T participants receive a gross payment of $628, this difference translates into 4.5 percent (i.e., 28.56/628 x 100%) of the gross payment. In 2001, black W2Ts are sanctioned $8.56 more than white W2Ts, on average. From 2002 to 2004, black W2Ts not only continue to improve relative to white W2Ts but are sanctioned less. This is shown by the estimated difference between blacks and whites of - $0.67 in 2002, - $4.06 in 2003, and - $7.77 in 2004. Comparing Hispanic W2Ts to white W2Ts, we find that Hispanics are sanctioned $4.27 and $3.27 more than whites in 2000 and 2001, respectively. From 2002 to 2004, the differences have reversed in favor of Hispanics. Hispanic W2Ts are sanctioned less than white W2Ts by $5.03, $2.38, and $2.86 in 2002, 2003, and 2004, respectively.

Age has a similar effect for W2Ts as previously found for CSJs. Sanctions decrease by $0.29 per year for the age of the participant and increases by $0.69 per year for the age of the youngest child. Sanctions increase by $0.69 for each additional child under the age of 13. This increase is only 28 percent of the magnitude found for CSJs (i.e., $2.46). Sanctions increase by $0.09 per month on the lifetime clock (which is now significant at the 1% level). Being served by Child Care affects W2Ts differently than CSJs. Whereas having at least one child in subsidized Child Care decreases sanctions by $26.57 for CSJs, it increases sanctions by $12.02 for W2Ts.[14]

Like CSJs, an increase in each of the remaining independent variables has a negative effect on sanctions. However, the magnitude of the effects is generally smaller for W2Ts than CSJs..[15] For W2Ts, maternity decreases sanctions by $11.08. Relative to non-graduates, a high school graduate (or above) decreases sanctions by $13.94 whereas a GED (or equivalent) decreases sanctions by $13.79.[16] A driver's license and vehicle availability are associated with a decrease in sanctions of $6.23 and $3.71, respectively. Disabilities lower sanctions. W2T participants with a disability are sanctioned $8.44 less than those without a disability. W2T families with a disabled child are sanctioned $3.94 less than W2T families without a disabled child.

[14] However, only 17% of W2T families have at least one child in state-subsidized Child Care.
[15] The exception is the variable, any child with a disability, which reduces sanctions by $0.57 for CSJs and $3.94 for W2Ts.
[16] Although HSG and GED are treated as separate variables, one could make the case for combining these two groups in this study.

Table 14: Regression Results for Wisconsin (Placement = W2T)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	41.54	<.0001
1 if Black	28.56	<.0001
1 if Hispanic	7.28	0.00
Age	-0.29	<.0001
Months on Lifetime Clock	0.09	<.0001
Age of Youngest Child	0.69	<.0001
Num of Children with Age < 13	0.69	0.01
1 if any Child with Age < 13 served by Child Care	12.02	<.0001
1 if Maternity	-11.08	<.0001
1 if HSG	-13.94	<.0001
1 if GED	-13.79	<.0001
1 if Driver's License	-6.23	<.0001
1 if Vehicle Available	-3.71	<.0001
1 if Disabled Adult	-8.44	<.0001
1 if Disabled Child	-3.94	<.0001
1 if Year is 2001	-0.89	0.60
1 if Black and Year is 2001	-20.00	<.0001
1 if Hispanic and Year is 2001	-2.63	0.44
1 if Year is 2002	-6.06	0.00
1 if Black and Year is 2002	-29.23	<.0001
1 if Hispanic and Year is 2002	-12.30	0.00
1 if Year is 2003	-6.78	<.0001
1 if Black and Year is 2003	-32.61	<.0001
1 if Hispanic and Year is 2003	-9.66	0.00
1 if Year is 2004	-7.36	<.0001
1 if Black and Year is 2004	-36.32	<.0001
1 if Hispanic and Year is 2004	-10.14	0.00
R-Square	0.03	
F-Statistic	195.29	<.0001

Year	Estimated Monthly Difference Between Black and White	Estimated Monthly Difference Between Hispanic and White
2000	$28.56	$7.28
2001	$8.56	$4.64
2002	-$0.67	-$5.03
2003	-$4.06	-$2.38
2004	-$7.77	-$2.86

6. Estimated Racial Disparities for Ten Geographic Areas within Wisconsin

This section provides the racial disparities that were estimated in the regression analyses of sanctions in Milwaukee County, Balance of State, four of the six regions of Milwaukee County, and four counties from Balance of State. The complete regression results are shown in appendix A. For CSJs and W2Ts, respectively, we report the results from:

- Milwaukee County in Tables A-1 and A-2;
- Balance of State in Tables A-3 and A-4;
- Region 1 of Milwaukee County in Tables A-5 and A-6;
- Region 2 of Milwaukee County in Tables A-7 and A-8;
- Region 5 of Milwaukee County in Tables A-9 and A-10;
- Region 6 of Milwaukee County in Tables A-11 and A-12;
- Dane County in Tables A-13 and A-14;
- Kenosha County in Tables A-15 and A-16;
- Racine County in Tables A-17 and A-18;
- Rock County in Tables A-19 and A-20.

For tables A-1 through A-12, we use the same set of independent variables as already shown in Tables 13 and 14 of the previous section. Tables A-13 through A-20 exclude the Hispanic variable and the four variables interacting Hispanic with year. Hispanics are excluded from the separate regressions for Dane, Kenosha, Racine, and Rock counties because there are not enough participants from this group in any one of these four counties. From each of the tables in appendix A, we can summarize the estimated racial disparities using the same types of computations that were employed earlier for Tables 13 and 14.

Table 15 provides the differences between races by placement and year in Milwaukee County. For blacks vs. whites, the differences tend to diminish over time for both placements. In 2004, black CSJs are sanctioned $12.85 less than white CSJs on average controlling for the other independent variables; black W2Ts are sanctioned $4.75 less than white W2Ts on average with the same control variables. In four of five years, Hispanics in both placements are sanctioned less than whites. In 2004, Hispanic W2Ts are sanctioned $18.19 less than white W2Ts on average controlling for the other independent variables; Hispanic W2Ts are sanctioned $1.61 less than white W2Ts on average with the same control variables.

Table 15: Estimated Monthly Difference in Sanctions for Milwaukee County

	Black vs. White		Hispanic vs. White	
Year	**CSJ**	**W2T**	**CSJ**	**W2T**
2000	$37.64	$22.46	-$21.17	$2.82
2001	$29.54	$2.72	$3.79	-$1.46
2002	-$7.08	$0.34	-$16.05	-$4.77
2003	-$0.44	-$0.23	-$3.59	-$0.29
2004	-$12.85	-$4.75	-$18.19	-$1.61

Table 16 shows the differences between race by placement and year in Balance of State. The largest differences are found between black CSJs and white CSJs in Balance of State. In 2004, black CSJs are sanctioned $70.75 more than white CSJs when using regression analysis. The difference is $2.78 between black W2Ts and white W2Ts. Comparing the regression results of Hispanics to whites in 2004; we find that they are sanctioned more than whites in each placement. The differences are $18.83 for CSJs and $16.25 for W2Ts.

Table 16: Estimated Monthly Difference in Sanctions for Balance of State

	Black vs. White		Hispanic vs. White	
Year	CSJ	W2T	CSJ	W2T
2000	$67.00	$34.26	$63.90	-$0.50
2001	$54.05	-$0.53	-$5.61	$1.26
2002	$29.97	-$1.56	$7.90	-$1.39
2003	$40.68	-$3.88	$9.59	$7.95
2004	$70.75	$2.78	$18.83	$16.25

Table 17 provides the estimated monthly differences in sanctions between races by placement, region, and year controlling for the other variables in the regression model. Compared to the means in Table 8,[17] the disparity between black CSJs and white CSJs under the regression approach is lower for 19 of 20 combinations of region and year.[18] The exception is region 6 in 2004 where the difference in means (from Table 8) is -$31.95 whereas the regression's estimated difference is -$30.16. The disparity between Hispanic CSJs and white CSJs under the regression approach is also lower than the difference in means (from Table 8)[19] for 18 of 20 combinations of region and year. The two exceptions are regions 5 and 6 in 2003 where the difference in means are -$14.08 and -$4.07, respectively and the regression estimates are -$13.73 and -$9.59, respectively.

A similar pattern is found for W2Ts when comparing differences in means (from Table 9) and regression-based differences (from Table 17). The regression approach yields differences that are lower than the difference in means for every combination between black W2Ts and white W2Ts and for every combination between Hispanic W2Ts and white W2Ts.

Table 18 shows the estimated monthly differences in sanctions between blacks and whites by placement, county (from Balance of State), and year controlling for the other variables in the regression equation. If we compare the regression results for CSJs (from Table 18) to the corresponding difference in means from in Table 10, the regression results yield lower disparities for each combination of county and year.[20] For W2Ts, the regression results are associated with lower disparities between blacks and whites in 19 of 20 combinations. The exception is Rock County in 2004 where the difference in means is $5.96 and the estimate from the regression analysis is $18.10.

[17] See the second-to-last column labeled "Black – White" on page 9.
[18] We obtain 20 combinations by multiplying 4 regions (from Milwaukee County) times 5 years.
[19] See the last column labeled "Hispanic – White" on page 9.
[20] We obtain 20 combinations by multiplying 4 counties (from Balance of State) times 5 years.

Table 17: Estimated Monthly Differences in Sanctions for Milwaukee County Regions

		Black vs. White		Hispanic vs. White	
Region	**Year**	**CSJ**	**W2T**	**CSJ**	**W2T**
1	2000	$58.93	$65.23	$2.84	$15.18
1	2001	-$6.45	$24.29	-$52.96	-$37.30
1	2002	$26.03	$3.88	$13.58	-$4.61
1	2003	$11.70	-$6.07	-$36.43	-$11.79
1	2004	$5.11	-$12.86	-$10.01	-$12.49
2	2000	-$1.04	$29.58	-$12.29	-$5.45
2	2001	$9.34	$7.34	$6.85	-$11.52
2	2002	$3.86	$0.27	-$13.45	-$0.96
2	2003	-$3.72	$4.57	-$4.23	$2.90
2	2004	-$3.81	$7.80	-$13.20	$5.96
5	2000	$34.24	$35.32	$3.58	$23.59
5	2001	$29.48	$9.49	$20.81	$1.47
5	2002	$9.70	-$2.17	$22.09	-$10.63
5	2003	-$15.15	-$4.56	-$13.73	-$6.55
5	2004	$18.03	$5.44	$10.83	$1.34
6	2000	$3.81	$12.74	-$30.92	$3.81
6	2001	$22.75	$9.22	$3.37	$17.08
6	2002	-$5.43	$5.31	-$27.70	-$6.58
6	2003	-$0.39	$2.80	-$9.59	$1.01
6	2004	-$30.16	-$6.95	-$50.32	-$7.88

Table 18: Estimated Monthly Differences in Sanctions for Four Counties from BOS

		Black vs. White	
County	**Year**	**CSJ**	**W2T**
Dane	2000	$61.93	$46.77
Dane	2001	$63.28	-$0.63
Dane	2002	$2.92	-$4.45
Dane	2003	$15.96	-$4.62
Dane	2004	$15.41	-$2.92
Kenosha	2000	$47.94	$10.25
Kenosha	2001	-$46.50	$8.88
Kenosha	2002	$11.21	$17.51
Kenosha	2003	$13.87	$0.86
Kenosha	2004	$20.31	$14.81
Racine	2000	$1.31	$41.40
Racine	2001	$13.82	$10.69
Racine	2002	$39.87	-$7.27
Racine	2003	$17.38	-$3.78
Racine	2004	$72.93	-$22.18
Rock	2000	-$130.50	-$17.92
Rock	2001	$17.38	$0.22
Rock	2002	$30.57	$18.04
Rock	2003	$10.74	-$4.78
Rock	2004	$31.47	$18.10

7. Summary of Findings

This study focuses on disparities in W-2 sanctions between blacks, Hispanics, and whites for the State of Wisconsin and for particular geographic areas within the State of Wisconsin. Sanctions are calculated separately for participants in CSJ and W2T placements. This effort updates an earlier study of data from 2000 through 2003 by including data from the year, 2004. In addition, two methods are used to calculate the racial disparities. The first method computes the difference in mean sanctions by race, placement, year, and geographic area. The second method is a multivariate regression analysis of sanctions for a particular placement and geographic area. Sanctions are estimated as a function of race, year, family configuration, barriers to employment, and other demographic characteristics.

For Wisconsin as a whole, the main findings of the study are:

- For each race and year, average W-2 sanctions are much higher for participants in CSJ placements relative to those in W2T placements.
- For each race and placement, average W-2 sanctions tend to decline over time.
- For each placement and method of computing disparities, the difference in average sanctions between blacks and whites tends to decline over time.

- For each method of computing disparities, the difference between Hispanic CSJs and white CSJs shows no discernible pattern over time whereas the difference between Hispanic W2Ts and white W2Ts tends to decline over time.
- For each placement and year, differences between blacks and whites that are obtained using regression analysis (controlling for other variables) are smaller than differences between blacks and whites using means (not controlling for other variables).
- For each placement and year, differences between Hispanics and whites that are obtained using regression analysis (controlling for other variables) are smaller than differences between Hispanics and whites using means (not controlling for other variables).

Comparing Milwaukee County to Balance of State, we obtain the following results:

- For each year, the difference in average CSJ sanctions between blacks and whites is much higher in Balance of State than Milwaukee County. It should be noted that most blacks live in Milwaukee County.
- The difference in mean sanctions between blacks and whites tends to be smaller for W2Ts relative to CSJs both in Milwaukee County and in Balance of State.[21]
- For each year, the difference in average CSJ sanctions between Hispanics and whites is much higher in Balance of State than Milwaukee County. It should be noted that most Hispanics live in Milwaukee County.
- In Balance of State, the difference in average sanctions between Hispanic W2Ts and white W2Ts is increasing over time. In Milwaukee County (where most Hispanics reside), there is no discernible pattern over time between Hispanic W2Ts and white W2Ts.
- Compared to differences in means between races by placement and year, regression analysis reduces the estimated disparities in sanctions of blacks and Hispanics relative to whites.

[21] This may be the result of much lower average sanctions for W2Ts relative to CSJs. As average sanctions approach zero, disparities will tend to approach zero.

APPENDIX A

REGRESSION RESULTS BY GEOGRAPHIC AREA AND PLACEMENT

Table A-1: Regression Results for Milwaukee County (Placement = CSJ)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	158.62	<.0001
1 if Black	37.64	<.0001
1 if Hispanic	-21.17	0.00
Age	-0.58	<.0001
Months on Lifetime Clock	0.10	0.02
Age of Youngest Child	0.91	<.0001
Num of Children with Age < 13	1.89	0.00
1 if any Child with Age < 13 served by Child Care	-26.95	<.0001
1 if Maternity	-25.96	<.0001
1 if HSG	-31.23	<.0001
1 if GED	-27.39	<.0001
1 if Driver's License	-13.95	<.0001
1 if Vehicle Available	-3.89	0.01
1 if Disabled Adult	-14.52	0.02
1 if Disabled Child	0.77	0.68
1 if Year is 2001	-25.53	<.0001
1 if Black and Year is 2001	-8.10	0.17
1 if Hispanic and Year is 2001	24.96	0.00
1 if Year is 2002	-16.83	0.00
1 if Black and Year is 2002	-44.73	<.0001
1 if Hispanic and Year is 2002	5.12	0.47
1 if Year is 2003	-20.46	<.0001
1 if Black and Year is 2003	-38.08	<.0001
1 if Hispanic and Year is 2003	17.58	0.01
1 if Year is 2004	-13.28	0.01
1 if Black and Year is 2004	-50.49	<.0001
1 if Hispanic and Year is 2004	2.97	0.67
R-Square	0.03	
F-Statistic	194.81	<.0001

Year	Estimated Monthly Difference Between Black and White	Estimated Monthly Difference Between Hispanic and White
2000	$37.64	-$21.17
2001	$29.54	$3.79
2002	-$7.08	-$16.05
2003	-$0.44	-$3.59
2004	-$12.85	-$18.19

Table A-2: Regression Results for Milwaukee County (Placement = W2T)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	46.30	<.0001
1 if Black	22.46	<.0001
1 if Hispanic	2.82	0.38
Age	-0.27	<.0001
Months on Lifetime Clock	0.11	<.0001
Age of Youngest Child	0.76	<.0001
Num of Children with Age < 13	0.49	0.10
1 if any Child with Age < 13 served by Child Care	13.33	<.0001
1 if Maternity	-11.48	<.0001
1 if HSG	-14.07	<.0001
1 if GED	-14.50	<.0001
1 if Driver's License	-6.37	<.0001
1 if Vehicle Available	-3.60	0.00
1 if Disabled Adult	-13.37	<.0001
1 if Disabled Child	-3.49	<.0001
1 if Year is 2001	0.17	0.95
1 if Black and Year is 2001	-19.74	<.0001
1 if Hispanic and Year is 2001	-4.28	0.33
1 if Year is 2002	-13.02	<.0001
1 if Black and Year is 2002	-22.12	<.0001
1 if Hispanic and Year is 2002	-7.59	0.07
1 if Year is 2003	-17.01	<.0001
1 if Black and Year is 2003	-22.69	<.0001
1 if Hispanic and Year is 2003	-3.11	0.44
1 if Year is 2004	-17.61	<.0001
1 if Black and Year is 2004	-27.21	<.0001
1 if Hispanic and Year is 2004	-4.43	0.26
R-Square	0.03	
F-Statistic	153.92	<.0001

Year	Estimated Monthly Difference Between Black and White	Estimated Monthly Difference Between Hispanic and White
2000	$22.46	$2.82
2001	$2.72	-$1.46
2002	$0.34	-$4.77
2003	-$0.23	-$0.29
2004	-$4.75	-$1.61

Table A-3: Regression Results for Balance of State (Placement = CSJ)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	228.56	<.0001
1 if Black	67.00	<.0001
1 if Hispanic	63.90	<.0001
Age	-2.00	<.0001
Months on Lifetime Clock	-0.37	0.01
Age of Youngest Child	-0.40	0.45
Num of Children with Age < 13	4.44	0.00
1 if any Child with Age < 13 served by Child Care	-34.15	<.0001
1 if Maternity	-33.02	<.0001
1 if HSG	-47.18	<.0001
1 if GED	-47.24	<.0001
1 if Driver's License	-21.88	<.0001
1 if Vehicle Available	-3.16	0.41
1 if Disabled Adult	-25.78	0.00
1 if Disabled Child	-14.06	0.01
1 if Year is 2001	-9.92	0.16
1 if Black and Year is 2001	-12.94	0.23
1 if Hispanic and Year is 2001	-69.50	0.00
1 if Year is 2002	-16.30	0.01
1 if Black and Year is 2002	-37.03	0.00
1 if Hispanic and Year is 2002	-56.00	0.00
1 if Year is 2003	-29.90	<.0001
1 if Black and Year is 2003	-26.32	0.01
1 if Hispanic and Year is 2003	-54.31	0.00
1 if Year is 2004	-36.14	<.0001
1 if Black and Year is 2004	3.75	0.72
1 if Hispanic and Year is 2004	-45.07	0.02
R-Square	0.09	
F-Statistic	62.10	<.0001

Year	Estimated Monthly Difference Between Black and White	Estimated Monthly Difference Between Hispanic and White
2000	$67.00	$63.90
2001	$54.05	-$5.61
2002	$29.97	$7.90
2003	$40.68	$9.59
2004	$70.75	$18.83

Table A-4: Regression Results for Balance of State (Placement = W2T)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	42.24	<.0001
1 if Black	34.26	<.0001
1 if Hispanic	-0.50	0.93
Age	-0.36	<.0001
Months on Lifetime Clock	0.02	0.55
Age of Youngest Child	0.42	0.00
Num of Children with Age < 13	1.11	0.03
1 if any Child with Age < 13 served by Child Care	6.91	<.0001
1 if Maternity	-9.27	<.0001
1 if HSG	-12.79	<.0001
1 if GED	-12.56	<.0001
1 if Driver's License	-6.33	<.0001
1 if Vehicle Available	-4.92	<.0001
1 if Disabled Adult	-4.64	<.0001
1 if Disabled Child	-5.68	<.0001
1 if Year is 2001	-0.93	0.61
1 if Black and Year is 2001	-34.79	<.0001
1 if Hispanic and Year is 2001	1.75	0.82
1 if Year is 2002	-1.49	0.39
1 if Black and Year is 2002	-35.82	<.0001
1 if Hispanic and Year is 2002	-0.89	0.90
1 if Year is 2003	-0.27	0.87
1 if Black and Year is 2003	-38.14	<.0001
1 if Hispanic and Year is 2003	8.45	0.20
1 if Year is 2004	-0.31	0.85
1 if Black and Year is 2004	-31.48	<.0001
1 if Hispanic and Year is 2004	16.75	0.01
R-Square	0.03	
F-Statistic	34.21	<.0001

Year	Estimated Monthly Difference Between Black and White	Estimated Monthly Difference Between Hispanic and White
2000	$34.26	-$0.50
2001	-$0.53	$1.26
2002	-$1.56	-$1.39
2003	-$3.88	$7.95
2004	$2.78	$16.25

Table A-5: Regression Results for Region 1 of Milwaukee County (Placement = CSJ)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	181.06	<.0001
1 if Black	58.93	0.00
1 if Hispanic	2.84	0.90
Age	-0.57	0.05
Months on Lifetime Clock	0.19	0.15
Age of Youngest Child	0.90	0.10
Num of Children with Age < 13	0.57	0.72
1 if any Child with Age < 13 served by Child Care	-24.67	<.0001
1 if Maternity	-11.08	0.12
1 if HSG	-27.60	<.0001
1 if GED	-20.59	0.00
1 if Driver's License	-21.26	<.0001
1 if Vehicle Available	-17.61	0.00
1 if Disabled Adult	-42.07	0.02
1 if Disabled Child	6.47	0.26
1 if Year is 2001	29.81	0.23
1 if Black and Year is 2001	-65.38	0.01
1 if Hispanic and Year is 2001	-55.80	0.06
1 if Year is 2002	-31.12	0.23
1 if Black and Year is 2002	-32.90	0.22
1 if Hispanic and Year is 2002	10.74	0.73
1 if Year is 2003	-56.14	0.02
1 if Black and Year is 2003	-47.23	0.05
1 if Hispanic and Year is 2003	-39.27	0.17
1 if Year is 2004	-40.97	0.06
1 if Black and Year is 2004	-53.82	0.02
1 if Hispanic and Year is 2004	-12.85	0.63
R-Square	0.06	
F-Statistic	39.06	<.0001

Year	Estimated Monthly Difference Between Black and White	Estimated Monthly Difference Between Hispanic and White
2000	$58.93	$2.84
2001	-$6.45	-$52.96
2002	$26.03	$13.58
2003	$11.70	-$36.43
2004	$5.11	-$10.01

Table A-6: Regression Results for Region 1 of Milwaukee County (Placement = W2T)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	77.18	<.0001
1 if Black	65.23	<.0001
1 if Hispanic	15.18	0.22
Age	-0.52	0.00
Months on Lifetime Clock	0.45	<.0001
Age of Youngest Child	2.22	<.0001
Num of Children with Age < 13	1.63	0.09
1 if any Child with Age < 13 served by Child Care	24.23	<.0001
1 if Maternity	-16.59	<.0001
1 if HSG	-27.86	<.0001
1 if GED	-26.13	<.0001
1 if Driver's License	-12.86	<.0001
1 if Vehicle Available	-3.53	0.32
1 if Disabled Adult	-22.66	<.0001
1 if Disabled Child	-3.25	0.26
1 if Year is 2001	-9.22	0.47
1 if Black and Year is 2001	-40.94	0.00
1 if Hispanic and Year is 2001	-52.48	0.00
1 if Year is 2002	-42.33	0.00
1 if Black and Year is 2002	-61.35	<.0001
1 if Hispanic and Year is 2002	-19.79	0.26
1 if Year is 2003	-49.69	<.0001
1 if Black and Year is 2003	-71.29	<.0001
1 if Hispanic and Year is 2003	-26.97	0.09
1 if Year is 2004	-46.72	<.0001
1 if Black and Year is 2004	-78.08	<.0001
1 if Hispanic and Year is 2004	-27.67	0.07
R-Square	0.16	
F-Statistic	100.62	<.0001

Year	Estimated Monthly Difference Between Black and White	Estimated Monthly Difference Between Hispanic and White
2000	$65.23	$15.18
2001	$24.29	-$37.30
2002	$3.88	-$4.61
2003	-$6.07	-$11.79
2004	-$12.86	-$12.49

Table A-7: Regression Results for Region 2 of Milwaukee County (Placement = CSJ)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	157.93	<.0001
1 if Black	-1.04	0.90
1 if Hispanic	-12.29	0.08
Age	-1.42	<.0001
Months on Lifetime Clock	0.19	0.09
Age of Youngest Child	0.90	0.05
Num of Children with Age < 13	4.29	0.00
1 if any Child with Age < 13 served by Child Care	-36.02	<.0001
1 if Maternity	-18.60	0.00
1 if HSG	-31.64	<.0001
1 if GED	-24.74	<.0001
1 if Driver's License	-13.30	0.00
1 if Vehicle Available	-6.14	0.11
1 if Disabled Adult	-39.11	0.02
1 if Disabled Child	-4.33	0.39
1 if Year is 2001	-11.23	0.15
1 if Black and Year is 2001	10.38	0.37
1 if Hispanic and Year is 2001	19.13	0.05
1 if Year is 2002	-5.83	0.44
1 if Black and Year is 2002	4.91	0.67
1 if Hispanic and Year is 2002	-1.16	0.90
1 if Year is 2003	13.87	0.07
1 if Black and Year is 2003	-2.67	0.81
1 if Hispanic and Year is 2003	8.06	0.39
1 if Year is 2004	7.17	0.35
1 if Black and Year is 2004	-2.77	0.81
1 if Hispanic and Year is 2004	-0.91	0.92
R-Square	0.03	
F-Statistic	20.57	<.0001

Year	Estimated Monthly Difference Between Black and White	Estimated Monthly Difference Between Hispanic and White
2000	-$1.04	-$12.29
2001	$9.34	$6.85
2002	$3.86	-$13.45
2003	-$3.72	-$4.23
2004	-$3.81	-$13.20

Table A-8: Regression Results for Region 2 of Milwaukee County (Placement = W2T)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	65.59	<.0001
1 if Black	29.58	<.0001
1 if Hispanic	-5.45	0.23
Age	-0.94	<.0001
Months on Lifetime Clock	0.05	0.30
Age of Youngest Child	1.31	<.0001
Num of Children with Age < 13	0.81	0.31
1 if any Child with Age < 13 served by Child Care	6.87	0.00
1 if Maternity	-11.78	<.0001
1 if HSG	-10.60	<.0001
1 if GED	-10.51	0.00
1 if Driver's License	0.94	0.65
1 if Vehicle Available	-6.74	0.00
1 if Disabled Adult	-10.30	0.01
1 if Disabled Child	-10.56	<.0001
1 if Year is 2001	8.55	0.07
1 if Black and Year is 2001	-22.23	0.00
1 if Hispanic and Year is 2001	-6.07	0.34
1 if Year is 2002	-22.55	<.0001
1 if Black and Year is 2002	-29.30	<.0001
1 if Hispanic and Year is 2002	4.49	0.45
1 if Year is 2003	-20.52	<.0001
1 if Black and Year is 2003	-25.00	0.00
1 if Hispanic and Year is 2003	8.34	0.15
1 if Year is 2004	-24.49	<.0001
1 if Black and Year is 2004	-21.78	0.00
1 if Hispanic and Year is 2004	11.01	0.05
R-Square	0.03	
F-Statistic	20.37	<.0001

Year	Estimated Monthly Difference Between Black and White	Estimated Monthly Difference Between Hispanic and White
2000	$29.58	-$5.45
2001	$7.34	-$11.52
2002	$0.27	-$0.96
2003	$4.57	$2.90
2004	$7.80	$5.56

Table A-9: Regression Results for Region 5 of Milwaukee County (Placement = CSJ)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	182.13	<.0001
1 if Black	34.24	0.02
1 if Hispanic	3.58	0.90
Age	-0.03	0.85
Months on Lifetime Clock	-0.11	0.17
Age of Youngest Child	0.38	0.23
Num of Children with Age < 13	2.41	0.01
1 if any Child with Age < 13 served by Child Care	-19.45	<.0001
1 if Maternity	-13.77	0.00
1 if HSG	-16.67	<.0001
1 if GED	-15.95	<.0001
1 if Driver's License	-10.37	<.0001
1 if Vehicle Available	1.45	0.60
1 if Disabled Adult	-4.47	0.73
1 if Disabled Child	4.38	0.18
1 if Year is 2001	-87.38	<.0001
1 if Black and Year is 2001	-4.75	0.80
1 if Hispanic and Year is 2001	17.23	0.64
1 if Year is 2002	-124.62	<.0001
1 if Black and Year is 2002	-24.54	0.14
1 if Hispanic and Year is 2002	18.51	0.56
1 if Year is 2003	-89.49	<.0001
1 if Black and Year is 2003	-49.38	0.00
1 if Hispanic and Year is 2003	-17.31	0.58
1 if Year is 2004	-107.68	<.0001
1 if Black and Year is 2004	-16.20	0.32
1 if Hispanic and Year is 2004	7.26	0.82
R-Square	0.06	
F-Statistic	103.25	<.0001

Year	Estimated Monthly Difference Between Black and White	Estimated Monthly Difference Between Hispanic and White
2000	$34.24	$3.58
2001	$29.48	$20.81
2002	$9.70	$22.09
2003	-$15.15	-$13.73
2004	$18.03	$10.83

Table A-10: Regression Results for Regions 5 of Milwaukee County (Placement = W2T)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	11.59	0.10
1 if Black	35.32	<.0001
1 if Hispanic	23.59	0.06
Age	-0.08	0.41
Months on Lifetime Clock	0.08	0.02
Age of Youngest Child	-0.01	0.95
Num of Children with Age < 13	0.20	0.71
1 if any Child with Age < 13 served by Child Care	9.01	<.0001
1 if Maternity	-5.87	0.00
1 if HSG	-4.78	<.0001
1 if GED	-6.16	0.00
1 if Driver's License	-4.55	0.00
1 if Vehicle Available	-3.52	0.04
1 if Disabled Adult	-3.66	0.22
1 if Disabled Child	-1.31	0.39
1 if Year is 2001	5.03	0.55
1 if Black and Year is 2001	-25.83	0.00
1 if Hispanic and Year is 2001	-22.12	0.19
1 if Year is 2002	7.68	0.32
1 if Black and Year is 2002	-37.49	<.0001
1 if Hispanic and Year is 2002	-34.22	0.02
1 if Year is 2003	5.39	0.48
1 if Black and Year is 2003	-39.88	<.0001
1 if Hispanic and Year is 2003	-30.14	0.04
1 if Year is 2004	2.31	0.75
1 if Black and Year is 2004	-29.88	<.0001
1 if Hispanic and Year is 2004	-22.24	0.12
R-Square	0.02	
F-Statistic	18.33	<.0001

Year	Estimated Monthly Difference Between Black and White	Estimated Monthly Difference Between Hispanic and White
2000	$35.32	$23.59
2001	$9.49	$1.47
2002	-$2.17	-$10.63
2003	-$4.56	-$6.55
2004	$5.44	$1.34

Table A-11: Regression Results for Region 6 of Milwaukee County (Placement = CSJ)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	189.19	<.0001
1 if Black	3.81	0.64
1 if Hispanic	-30.92	0.01
Age	-0.93	0.00
Months on Lifetime Clock	-0.30	0.01
Age of Youngest Child	0.21	0.67
Num of Children with Age < 13	6.47	<.0001
1 if any Child with Age < 13 served by Child Care	-44.02	<.0001
1 if Maternity	-44.59	<.0001
1 if HSG	-26.76	<.0001
1 if GED	-7.36	0.14
1 if Driver's License	-9.90	0.01
1 if Vehicle Available	-2.61	0.53
1 if Disabled Adult	-35.74	0.02
1 if Disabled Child	6.78	0.22
1 if Year is 2001	-41.84	<.0001
1 if Black and Year is 2001	18.94	0.09
1 if Hispanic and Year is 2001	34.29	0.03
1 if Year is 2002	-3.14	0.74
1 if Black and Year is 2002	-9.24	0.39
1 if Hispanic and Year is 2002	3.22	0.83
1 if Year is 2003	-34.24	0.00
1 if Black and Year is 2003	-4.20	0.69
1 if Hispanic and Year is 2003	21.33	0.14
1 if Year is 2004	0.02	1.00
1 if Black and Year is 2004	-33.97	0.00
1 if Hispanic and Year is 2004	-19.40	0.17
R-Square	0.03	
F-Statistic	28.34	<.0001

Year	Estimated Monthly Difference Between Black and White	Estimated Monthly Difference Between Hispanic and White
2000	$3.81	-$30.92
2001	$22.75	$3.37
2002	-$5.43	-$27.70
2003	-$0.39	-$9.59
2004	-$30.16	-$50.32

Table A-12: Regression Results for Region 6 of Milwaukee County (Placement = W2T)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	48.38	<.0001
1 if Black	12.74	0.01
1 if Hispanic	3.81	0.58
Age	-0.24	0.10
Months on Lifetime Clock	-0.02	0.72
Age of Youngest Child	0.78	0.00
Num of Children with Age < 13	1.77	0.04
1 if any Child with Age < 13 served by Child Care	-0.97	0.65
1 if Maternity	-16.56	<.0001
1 if HSG	-14.16	<.0001
1 if GED	-11.52	0.00
1 if Driver's License	-8.31	0.00
1 if Vehicle Available	-5.56	0.04
1 if Disabled Adult	-13.85	0.00
1 if Disabled Child	-5.80	0.03
1 if Year is 2001	-3.98	0.48
1 if Black and Year is 2001	-3.52	0.60
1 if Hispanic and Year is 2001	13.27	0.17
1 if Year is 2002	3.69	0.51
1 if Black and Year is 2002	-7.43	0.27
1 if Hispanic and Year is 2002	-10.39	0.28
1 if Year is 2003	-7.31	0.18
1 if Black and Year is 2003	-9.94	0.13
1 if Hispanic and Year is 2003	-2.80	0.76
1 if Year is 2004	-5.03	0.33
1 if Black and Year is 2004	-19.69	0.00
1 if Hispanic and Year is 2004	-11.70	0.18
R-Square	0.02	
F-Statistic	11.75	<.0001

Year	Estimated Monthly Difference Between Black and White	Estimated Monthly Difference Between Hispanic and White
2000	$12.74	$3.81
2001	$9.22	$17.08
2002	$5.31	-$6.58
2003	$2.80	$1.01
2004	-$6.95	-$7.88

Table A-13: Regression Results for Dane County (Placement=CSJ)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	267.45	<.0001
1 if Black	61.93	0.00
Age	-2.86	<.0001
Months on Lifetime Clock	-0.63	0.02
Age of Youngest Child	-0.61	0.58
Num of Children with Age < 13	4.40	0.19
1 if any Child with Age < 13 served by Child Care	-40.44	<.0001
1 if Maternity	-49.26	<.0001
1 if HSG	-40.01	<.0001
1 if GED	-31.97	0.00
1 if Driver's License	-36.50	<.0001
1 if Vehicle Available	23.02	0.00
1 if Disabled Adult	-47.58	0.00
1 if Disabled Child	-18.93	0.08
1 if Year is 2001	-3.42	0.85
1 if Black and Year is 2001	1.35	0.95
1 if Year is 2002	17.70	0.28
1 if Black and Year is 2002	-59.01	0.00
1 if Year is 2003	6.12	0.71
1 if Black and Year is 2003	-45.97	0.03
1 if Year is 2004	7.99	0.67
1 if Black and Year is 2004	-46.52	0.04
R-Square	0.07	
F-Statistic	15.56	<.0001

Year	Estimated Monthly Difference Between Black and White
2000	$61.93
2001	$63.28
2002	$2.92
2003	$15.96
2004	$15.41

Table A-14: Regression Results for Dane County (Placement=W2T)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	44.91	<.0001
1 if Black	46.77	<.0001
Age	-0.47	0.02
Months on Lifetime Clock	-0.02	0.87
Age of Youngest Child	0.94	0.01
Num of Children with Age < 13	2.00	0.10
1 if any Child with Age < 13 served by Child Care	11.43	<.0001
1 if Maternity	-18.33	<.0001
1 if HSG	-9.75	0.00
1 if GED	-13.13	<.0001
1 if Driver's License	-7.45	0.01
1 if Vehicle Available	-3.73	0.18
1 if Disabled Adult	-20.54	<.0001
1 if Disabled Child	-11.70	<.0001
1 if Year is 2001	-7.89	0.13
1 if Black and Year is 2001	-47.40	<.0001
1 if Year is 2002	-5.58	0.26
1 if Black and Year is 2002	-51.22	<.0001
1 if Year is 2003	-8.60	0.07
1 if Black and Year is 2003	-51.39	<.0001
1 if Year is 2004	1.34	0.78
1 if Black and Year is 2004	-49.68	<.0001
R-Square	0.06	
F-Statistic	19.11	<.0001

Year	Estimated Monthly Difference Between Black and White
2000	$46.77
2001	-$0.63
2002	-$4.45
2003	-$4.62
2004	-$2.92

Table A-15: Regression Results for Kenosha County (Placement = CSJ)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	297.14	<.0001
1 if Black	47.94	0.00
Age	-2.80	0.00
Months on Lifetime Clock	-0.22	0.55
Age of Youngest Child	-1.04	0.46
Num of Children with Age < 13	4.76	0.21
1 if any Child with Age < 13 served by Child Care	-52.01	<.0001
1 if Maternity	-39.24	0.00
1 if HSG	-38.33	<.0001
1 if GED	-53.12	<.0001
1 if Driver's License	-5.81	0.51
1 if Vehicle Available	-22.93	0.02
1 if Disabled Adult	-12.55	0.57
1 if Disabled Child	-29.41	0.02
1 if Year is 2001	-24.38	0.17
1 if Black and Year is 2001	-94.44	<.0001
1 if Year is 2002	-100.74	<.0001
1 if Black and Year is 2002	-36.72	0.09
1 if Year is 2003	-71.06	<.0001
1 if Black and Year is 2003	-34.06	0.07
1 if Year is 2004	-43.73	0.02
1 if Black and Year is 2004	-27.62	0.23
R-Square	0.12	
F-Statistic	17.12	<.0001

Year	Estimated Monthly Difference Between Black and White
2000	$47.94
2001	-$46.50
2002	$11.21
2003	$13.87
2004	$20.31

Table A-16: Regression Results for Kenosha County (Placement = W2T)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	29.70	<.0001
1 if Black	10.25	0.11
Age	-0.22	0.30
Months on Lifetime Clock	0.18	0.11
Age of Youngest Child	-0.02	0.95
Num of Children with Age < 13	-1.41	0.31
1 if any Child with Age < 13 served by Child Care	10.45	0.01
1 if Maternity	-4.85	0.24
1 if HSG	-16.38	<.0001
1 if GED	-14.32	<.0001
1 if Driver's License	-2.68	0.36
1 if Vehicle Available	1.99	0.48
1 if Disabled Adult	-6.31	0.03
1 if Disabled Child	-8.64	0.01
1 if Year is 2001	0.95	0.84
1 if Black and Year is 2001	-1.37	0.87
1 if Year is 2002	6.80	0.16
1 if Black and Year is 2002	7.25	0.43
1 if Year is 2003	-0.38	0.93
1 if Black and Year is 2003	-9.39	0.25
1 if Year is 2004	9.16	0.04
1 if Black and Year is 2004	4.56	0.56
R-Square	0.04	
F-Statistic	6.63	<.0001

Year	Estimated Monthly Difference Between Black and White
2000	$10.25
2001	$8.88
2002	$17.51
2003	$0.86
2004	$14.81

Table A-17: Regression Results for Racine County (Placement = CSJ)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	370.29	<.0001
1 if Black	1.31	0.98
Age	-2.45	0.14
Months on Lifetime Clock	-0.34	0.62
Age of Youngest Child	-1.15	0.69
Num of Children with Age < 13	4.62	0.59
1 if any Child with Age < 13 served by Child Care	-70.42	0.00
1 if Maternity	-48.15	0.20
1 if HSG	-121.74	<.0001
1 if GED	-95.66	0.01
1 if Driver's License	-25.67	0.31
1 if Vehicle Available	-10.74	0.68
1 if Disabled Adult	-65.39	0.01
1 if Disabled Child	53.44	0.08
1 if Year is 2001	-8.41	0.88
1 if Black and Year is 2001	12.51	0.85
1 if Year is 2002	-72.17	0.26
1 if Black and Year is 2002	38.56	0.60
1 if Year is 2003	-43.96	0.44
1 if Black and Year is 2003	16.07	0.81
1 if Year is 2004	-44.24	0.38
1 if Black and Year is 2004	71.62	0.23
R-Square	0.16	
F-Statistic	7.30	<.0001

Year	Estimated Monthly Difference Between Black and White
2000	$1.31
2001	$13.82
2002	$39.87
2003	$17.38
2004	$72.93

Table A-18: Regression Results for Racine County (Placement = W2T)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	72.03	0.00
1 if Black	41.40	0.01
Age	-0.56	0.32
Months on Lifetime Clock	-0.71	0.00
Age of Youngest Child	0.02	0.98
Num of Children with Age < 13	5.27	0.10
1 if any Child with Age < 13 served by Child Care	-15.78	0.36
1 if Maternity	-29.24	0.01
1 if HSG	-24.78	0.00
1 if GED	-29.08	0.00
1 if Driver's License	-3.91	0.60
1 if Vehicle Available	-10.35	0.18
1 if Disabled Adult	6.51	0.32
1 if Disabled Child	3.62	0.62
1 if Year is 2001	-3.81	0.79
1 if Black and Year is 2001	-30.71	0.13
1 if Year is 2002	2.84	0.85
1 if Black and Year is 2002	-48.66	0.01
1 if Year is 2003	11.89	0.40
1 if Black and Year is 2003	-45.18	0.01
1 if Year is 2004	18.60	0.15
1 if Black and Year is 2004	-63.58	0.00
R-Square	0.04	
F-Statistic	4.12	<.0001

Year	Estimated Monthly Difference Between Black and White
2000	$41.40
2001	$10.69
2002	-$7.27
2003	-$3.78
2004	-$22.18

Table A-19: Regression Results for Rock County (Placement=CSJ)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	336.69	<.0001
1 if Black	-130.50	0.00
Age	-1.57	0.27
Months on Lifetime Clock	0.60	0.50
Age of Youngest Child	-2.71	0.26
Num of Children with Age < 13	0.30	0.96
1 if any Child with Age < 13 served by Child Care	-50.00	0.00
1 if Maternity	-7.12	0.75
1 if HSG	-55.11	0.00
1 if GED	-54.02	0.01
1 if Driver's License	-16.76	0.26
1 if Vehicle Available	-9.03	0.56
1 if Disabled Adult	113.21	0.08
1 if Disabled Child	-8.83	0.73
1 if Year is 2001	-74.87	0.02
1 if Black and Year is 2001	147.87	0.00
1 if Year is 2002	-107.12	0.00
1 if Black and Year is 2002	161.07	0.00
1 if Year is 2003	-119.37	0.00
1 if Black and Year is 2003	141.24	0.00
1 if Year is 2004	-146.22	<.0001
1 if Black and Year is 2004	161.97	0.00
R-Square	0.08	
F-Statistic	4.32	<.0001

Year	Estimated Monthly Difference Between Black and White
2000	-$130.50
2001	$17.38
2002	$30.57
2003	$10.74
2004	$31.47

Table A-20: Regression Results for Rock County (Placement=W2T)

Dependent Variable: Monthly W2 Sanctions

Independent Variable	Coefficient	Level of Significance
Intercept	37.39	<.0001
1 if Black	-17.92	0.02
Age	0.17	0.48
Months on Lifetime Clock	0.13	0.28
Age of Youngest Child	-0.96	0.03
Num of Children with Age < 13	-3.63	0.01
1 if any Child with Age < 13 served by Child Care	9.39	0.08
1 if Maternity	-0.47	0.91
1 if HSG	-0.20	0.94
1 if GED	-2.30	0.53
1 if Driver's License	-6.92	0.03
1 if Vehicle Available	-3.15	0.33
1 if Disabled Adult	-7.43	0.16
1 if Disabled Child	-8.68	0.01
1 if Year is 2001	-14.58	0.01
1 if Black and Year is 2001	18.14	0.07
1 if Year is 2002	-16.76	0.00
1 if Black and Year is 2002	35.96	0.00
1 if Year is 2003	-15.65	0.00
1 if Black and Year is 2003	13.14	0.17
1 if Year is 2004	-17.26	0.00
1 if Black and Year is 2004	17.93	0.05
R-Square	0.03	
F-Statistic	2.98	<.0001

Year	Estimated Monthly Difference Between Black and White
2000	-$17.92
2001	$0.22
2002	$18.04
2003	-$4.78
2004	$18.10